

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 75, “Conditions of Eligibility,” Iowa Administrative Code.

These amendments eliminate the requirement that all Medicaid applicants with parents absent from the home be referred for services from the Child Support Recovery Unit. Instead, referrals for medical support services will be made on a voluntary basis. The rule on noncooperation with medical support recovery is amended to provide that this determination must be made by the Child Support Recovery Unit, rather than the income maintenance worker, due to a change in federal law.

A parent who is receiving cash assistance will lose assistance for the whole household by failure to cooperate with support recovery. However, federal Medicaid regulations do not allow a sanction on children’s assistance, and some major coverage groups are available to children only. In those cases, there is effectively no penalty for failure to cooperate. These amendments will reduce the number of child support recovery cases and concentrate recovery services on families that want support services.

The Department does not expect Medicaid recoveries from third-party sources to be reduced as a result of this change. With the advent of insurance data matches, the Department has other sources for information about absent parents’ insurance.

Requesting support recovery services does provide advantages to the client in locating parents, establishing paternity, and obtaining orders for cash and medical support. Also, when medical support is flagged by the Child Support Recovery Unit, the Department’s normal Medicaid requirements for billing third-party insurance first do not apply. A “pay and chase” procedure is applied, in which the Department pays the child’s claims and then seeks reimbursement from the absent parent’s insurance. When insurance coverage is identified through a data match, “pay and chase” applies only to prenatal care and preventive pediatric services (including pharmacy claims).

These amendments do not provide for waivers in specified situations. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on March 24, 2010, as **ARC 8619B**. The Department received no comments on the Notice of Intended Action. These amendments are identical to those published under Notice of Intended Action.

The Council on Human Services adopted these amendments on May 11, 2010.

These amendments are intended to implement Iowa Code section 249A.6.

These amendments shall become effective on August 1, 2010.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [75.2(5), 75.14, 75.55(2)“a”] is being omitted. These amendments are identical to those published under Notice as **ARC 8619B**, IAB 3/24/10.

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